



Propane Watch

January 4, 2001

Energy Information Administration
Office of Oil & Gas

! U.S. inventories of propane tumbled by nearly 5.1 million barrels (MMB) last week to an estimated 43.4 MMB as of week ending December 29, 2000. Moreover, the December 2000 stock draw was the largest ever, measuring 18.7 MMB, and pushed U.S. inventories below the normal range for the first time since the start of the heating season. Regional declines in inventories continued heaviest in the Midwest and Gulf Coast regions, down 2.4 MMB and 2.2 MMB, respectively, while East Coast inventories posted a weekly drop of nearly 0.3 MMB. Regional inventories moved below their respective normal ranges in all regions except in the Gulf Coast where inventories continued to tract slightly above the lower limit of the normal range.

! Propane prices, driven by cold weather, winter storms, and tight supplies, continued to rise dramatically at both the retail and wholesale levels over the past week. The average residential price on January 1, 2001, was 161.6 cents per gallon, up 7.8 cents from the December 25, 2000 mark of 153.8 cents. Similarly, the wholesale price jumped 7.7 cents for the week, moving from 98.6 to 106.3 cents per gallon. Contrasted with price levels from one year ago, the residential price was up 60.2 cents over the January 3, 2000 price of 101.4 cents per gallon, while the wholesale price increased 60.9 cents from 45.4 cents per gallon.

Propane Stocks by Petroleum Administration for Defense Districts (PADD) I, II, and III (Thousand Barrels)

Districts	November 1999	December 1999	Week Ending				
			12/08/00	12/15/00	12/22/00	12/29/00	12/31/99
East Coast (PADD I)	6,087	5,072	^E 5,171	^E 4,621	^E 4,307	^E 4,043	4,822
Midwest (PADD II)	24,857	18,550	^E 23,672	^E 21,695	^E 19,364	^E 16,916	19,491
Gulf Coast (PADD III)	20,922	17,484	^E 27,748	^E 25,333	^E 22,947	^E 20,783	17,142
Total (PADD I-III)	51,866	41,106	^E 56,591	^E 51,649	^E 46,618	^E 41,742	41,455
U.S. Total	54,639	43,026	^E 58,854	^E 53,715	^E 48,483	^E 43,412	42,989

E=Estimated data.

Source: Energy Information Administration (EIA), Monthly Petroleum Supply Reporting System and Form EIA-807, "Propane Telephone Survey."

Propane Prices by Petroleum Administration for Defense Districts (PADD) I and II (Cents per Gallon)

District	Wholesale					Residential				
	12/11/00	12/18/00	12/25/00	01/01/01	01/03/00	12/11/00	12/18/00	12/25/00	01/01/01	01/03/00
East Coast (PADD I)	83.5	89.4	101.7	120.5	53.9	152.2	156.7	^R 165.9	175.5	120.1
New England (PADD IX)	NA	NA	NA	NA	NA	152.7	156.2	^R 162.8	169.0	122.8
Central Atlantic (PADD IY)	83.4	86.2	98.7	108.7	54.5	154.3	158.1	^R 164.2	172.3	121.9
Lower Atlantic (PADD IZ)	83.6	93.2	105.5	134.9	53.1	146.7	154.2	172.7	189.0	113.3
Midwest (PADD II)	77.7	81.4	97.5	101.3	42.4	123.1	127.9	^R 144.6	151.1	87.4
Average	79.2	83.5	98.6	106.3	45.4	135.6	140.3	153.8	161.6	101.4

NA=Not Available.

R=Revised.

Source: Wholesale propane prices are based on Oil Price Information Service. Residential propane prices are available from data supplied by 23 State Energy Offices from October through March.

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